

DSCP BRIEFING FOR USE OF THE GOVERNMENT PURCHASE CARD



PRESENTED BY THE OFFICE OF PROCUREMENT MANAGEMENT

THE DSCP COMMERCIAL PURCHASE CARD PROGRAM

The procedures in this briefing supplement the **DLA4105.3, DLA Government-wide Commercial Purchase Card Program** and are applicable to personnel participating in the DSCP Commercial Purchase Card Program.

PROGRAM REPRESENTATIVES

Authorizing Official (AO) for DSCP - Paul Zebrowski, P - 737-2601

Agency Program Coordinator (APC) - Aleese Ruffin, P - 737-7289

The Purpose of the Government Purchase Card Program

- Puts micro purchase (up to \$2,500) decisions and actions in the hands of users.
- Allows for a low administrative cost method for purchases and payments.
- Except under limited circumstances, the Government-Purchase Card (GPC) is the mandatory method of purchase and/or payment at or below the micro-purchase threshold. Defense Federal Acquisition Regulation Supplement 213.270.

Key Roles In the Program :

1. The Supervisor
2. The Billing/Certifying Official (BO)
3. The Cardholder
4. Agency Program Coordinator (APC)
5. Finance Resource Manager Contacts
(Directorate Budget Manager and
Comptroller Budget
Contact)

Role of the Supervisor

- Recommend to the APC the names of personnel to be designated as cardholders and Billing Officials (BO) within their Organization.
- Be diligent in his/her selection of cardholders and BOs to ensure they are trustworthy, have a bona-fide need to purchase items, and have adequate time to carry out their responsibilities.
- Recommend the monthly and office limits in coordination with the Financial Manager. These spending limits must be appropriate for the expected purchasing activity.
- **Be responsible for notifying the A/OPC when naming or removing cardholders and BOs.**
- Include BO and cardholder duties in the performance standards of individuals delegated this authority.

Role of the Cardholder

Cardholders hold a public trust and must meet the highest ethical standards. Cardholders are responsible for:

- Receiving proper training and authorization in accordance with agency procedures. (Delegation Letter)
- Using the card “For Official Use Only.”
- The accuracy of information and data they provide to the BO in support of a Government Purchase Card Purchase.
- Erroneous payments that result from information, data, or service, including designation of proper appropriations or other funds they provide to a Certifying Official. The cardholder is to seek advice from the activity fiscal attorney when questioning use of funds for specific purchases.

Role of the Billing Official/Certifying Officer

- Usually cardholder's immediate supervisor
- Receives monthly billing statement
- Reviews and signs cardholder's monthly statement of account
- Certifies bill for correct and proper payment
- Is liable & pecuniary responsible for:
 - Information stated in a payment voucher, supporting documents & records
 - Computing the certified voucher
 - Legality of proposed payment under the appropriation/fund involved
 - Designating and issuing advice to accountable officials
- Ensures proper/timely handling of disputes
- Liaison with A/OPC & finance/resource management (directorate budget person)

Role of the Agency Program Coordinator (APC)

- Overall Program Oversight
- Receive and Review Reports
- Issues Delivery Order & Establishes Accounts
- Updates and Maintains Accounts with Bank
- Maintains Cardholding Activity Files
- Receives and Monitors Disputes with Bank
- Primary Contact Point With Bank

Role of the Finance/Resource Management Contacts

- Uses Bulk Funds
- Assigns Single Line of Accounting to Each Card per DLA Policy
- Considers Budget and Provides Input to AOPC for Setting Bank Credit Limits
- Ensures Funds Cover Commitment and Pre-Obligation Against MOD (Miscellaneous Obligation Document)
- Maintains Required Accounting & Expenditure Records in DBMS (Defense Business Management System)
- Provides Liaison with DFAS to Ensure Timely Disbursement

Role of the Bank (U.S. Bank)

- Issues Cards to Cardholders
- Sends Out Monthly Statements of Account & Billing Statements, Other Reports
- Pays Merchants Within 48 - 72 Hours of Billing
- Reviews/Credits Formal Disputes Initiated by Cardholder
- Is Reimbursed by Disbursing Office for Cardholding Activity

Cardholder & Office Controls

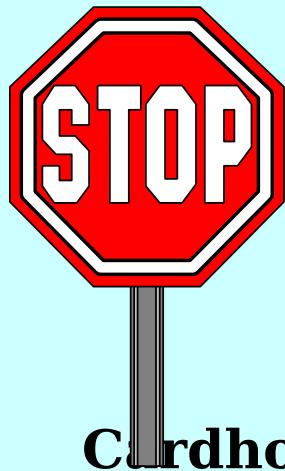
- Written Delegation of Purchase Authority
- Single Purchase Limit
 - Not to exceed \$2,500 for purchases (\$2,000 for construction) currently
- Monthly Cardholder Limit (Billing Cycle)
- Monthly Office Limit & Credit Limit

Card Issuance

- The card is sent to new cardholders
- Cardholder activates via voice response to bank customer service
 - Must know single purchase limit, business zip code, telephone extension
- Issued in cardholder's name for their use alone
- New card issued with new bank contract, if lost/stolen (if renewed), or if cardholder transfers to another billing official

Funding Considerations

- Receive Bulk Funding Through DSCP-R Budget Analyst & Cardholding Activity's Finance/Resource Manager (Office Budget Manager) at Least Annually
- Master Accounting Code Established
 - Includes Miscellaneous Obligation Document (MOD) #
- **Funds Must Be Available Prior To Purchase**



Priorities for Use of Government Sources

Cardholders shall satisfy requirements for supplies or through the sources listed below in descending order of priority:

1. Activity or installation inventories
2. Federal Prison Industries (UNICOR)
3. National Industries for the Blind/Severely Disabled (NIBS)
4. Mandatory Federal Supply Schedules (FSS)
5. Wholesale Supply Sources
6. General Services Administration (GSA Advantage)
7. Other commercial sources

Federal Prison Industries (FPI)



Federal Prison Industries (FPI) also uses the name UNICOR. Federal agencies are required by law to purchase items manufactured or produced by UNICOR prior to acquiring those items from commercially available sources. UNICOR is a mandatory source provider for items listed in its Schedule of products (which include furniture).

Waivers are not required when:

1. Public exigency requires immediate delivery or performance;
2. Suitable used or excess supplies are available;
3. Purchases are made from GSA of less-than-carload lots of common-use items stocked by DSA (See Schedule A of the Schedule);
4. The supplies are acquired and used outside the United States; or
5. Orders are for listed items totaling \$25 or less that require Delivery within 10 days.

Additional Guidance for Making Purchases from Federal Prison Industries (UNICOR) by Implementation of Section 811

10 USC 24n, enact by Section 811 of the National Defense Authorization Act, FY 2002 (Public Law 107-107) specifies under what circumstances DoD is not required to purchase mandatory items from UNICOR.

Implementation of Section 811 makes Contracting Officers, **including Government Purchase Cardholders**, responsible for determining whether UNICOR will best meet their organization's needs when making purchases within their established monetary limits.

Specifically, before purchasing a product from UNICOR, cardholders must determine whether the UNICOR item is comparable in price, quality, and time of delivery to items available from the private sector.

Determining Comparability of a UNICOR item

All three elements of price, quality and time of delivery must be considered in determining comparability.

If the cardholder determines that a UNICOR item is not comparable in price, quality AND time of delivery, the cardholder shall use competitive procedures in the private sector for procurement of the item. In coordination with the organization's Legal Counsel, the cardholder must justify this determination in writing prior to making the purchase from the private sector.

If the UNICOR item is determined comparable, cardholders shall purchase the required item from UNICOR.

National Industries for the Blind/Severely Disabled (NIB/NISH)

Cardholders must purchase commodities and services furnished by not for-profit agencies employing blind and severely handicapped individuals trained under the Javits-Wagner-O'Dell Act (JWOD) when those commodities/services meet the required need.

JWOD items are generally purchased through distributors, including Government agencies such as the GSA and the Defense Logistics Agency. Items available from NIB/NISH include:

- Office supplies
- Medical supplies
- Plastics
- Textiles
- Industrial products (paints and cleaners)



GSA **Advantage**

Although not a required source of supply, cardholders can also use the GSA Advantage catalog on the Internet. This service gives authorized Federal Government users access to thousands of commercially available supplies and services from GSA at the lowest possible prices and has incorporated items from NIB/NISH and UNICOR. Please note that using GSA Advantage does not Satisfy the cardholder responsibility to screen the mandatory sources of supply prior to making a



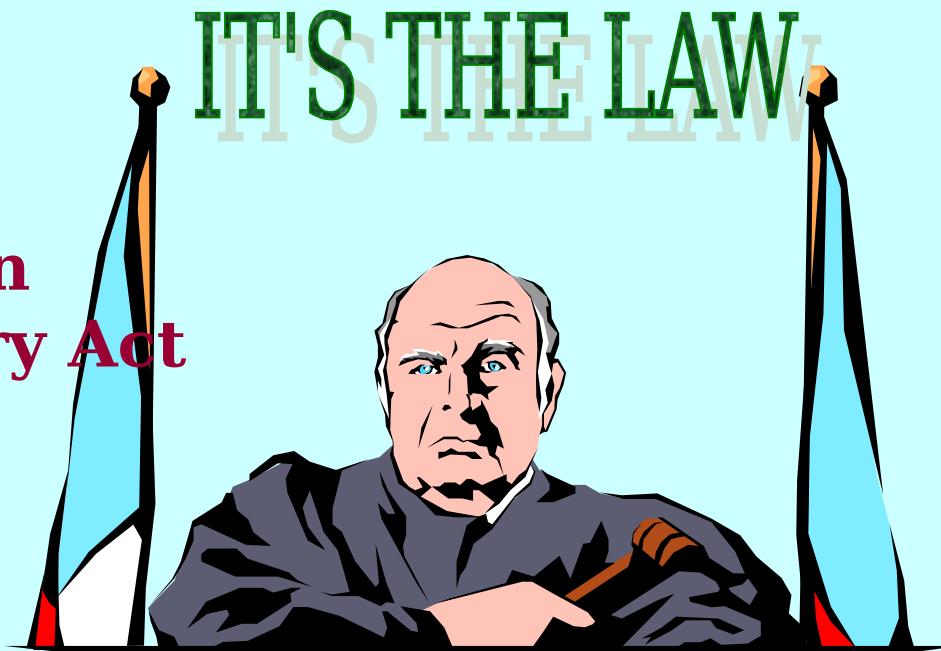
Affirmative Procurement

The policy and practice of purchasing
goods made with recycled materials

Why Affirmative Procurement?

**Resource
Conservation
And Recovery Act**

**Federal
Acquisition
Regulations**



Executive Order 13101

And The Products Are:

EPA-Designated Product Categories

- Construction
- Landscaping
- Non-paper Office Products
- Paper and Paper Products
- Parks and Recreation
- Transportation
- Vehicular
- Miscellaneous

What About the Mandated Sources of Supply?

- First define your product needs; for example, **folders made with recycled content paper**
- Second, go to your mandatory sources of supply
- If they don't supply the item, let them know you require recycled content!
- Check with them often to see if they supply the item

DSCP Form 5130

- **Pre-award Approval/Request for Supplies & Services, DSCP Form 5130a**
 - must be used to request approval of ADP/telecommunication equipment, services, software, parts and repairs to equipment from DSCP-OSPI
 - must be used when purchasing property categorized as accountable or controlled property, this form should be signed by your area property manager to assure that newly purchased accountable property has been bar-coded and inputted into the controlled property inventory.
- **Telephone Record, DSCP Form 5130c**
 - can be used to document telephone purchases (a single quote)
- **Cardholder's Abstract, DSCP Form 5130d**
 - must be used to document multiple quotes
- **Spending Log, DSCP Form 5130e**
 - must be used to document all purchased amounts and credits
- **GSA Customer Supply Center Order, DSCP Form 5130f**
 - can be used in place of Telephone Record, DSCP Form 5130c for orders with GSA Supply Center
 - can be used in place of Telephone Record, DSCP Form 5130c
- **EXCEL Version of DPSC 5130 forms is available on the DSCP Purchase Card Website.**

Purchase Flow

The Government-Wide Purchase Card (GPC) significantly streamlines the acquisition process, saving both time and expense. With the following easy steps a purchase can be made within days instead of weeks or months:

1. Obtain requirement
2. Ensure funds are available
3. Ensure supplies are available
4. Ensure all approvals are obtained (if required).
5. Make the purchase.
6. Log the Purchase
7. Reconcile Monthly Statement (approve, reallocate, or dispute)
8. Forward Monthly Statement & log to Billing Official.
9. Billing Official reconciles/certifies.

The process is similar to the one followed when using a personal credit card. Government unique steps in the GPC process help to ensure that goods and services are correctly acquired for official Government use only.

Procedures for Purchasing Accountable Property With the Card

Any accountable property or controlled property purchased and/or leased by DSCP, designated as controlled or pilferable must be bar-coded and added to the DSCP Property records. Therefore:

- (1) Provide Support Services (K) with a copy of DSCP Form 5130, Request for Supplies .Services when the request is for equipment, categorized as accountable property or controlled property. Exception - Telecommunication equipment such as Fax machines must be approved by Angela Bouhon, DSCP-OPI by having her sign your DSCP Form 5130.
- (2) Purchase Cardholders are responsible that all deliveries are made to Support Service Division, Warehouse Branch, building 5C for bar-coding and entering into Inventory System. Items purchased over the counter and hand carried, must be taken to Support Services Division, Warehouse Branch for bar-coding and entering into Inventory System by the cardholder or the property manger for that area.
- (3) Warehouse branch personnel will deliver property to your area property

Procedures for Purchasing ADP **With the Card**

IT HARDWARE CREDIT CARD PURCHASE:

All Credit Card purchases for ADP Equipment (Hardware) must first be approved by the Information Technology Division in the Directorate of Operations. A DSCP Form 5130 must be completed by the "Requesting Office" and forwarded to the Information Technology Support Office (DSCP-OSCC) in Bldg. 36 for approval/signature. Once the 5130 is signed, a copy will be furnished to DSCP-KA, Support Services Division for their records pending delivery of the Equipment. Once equipment is delivered by the Credit Card Holder or Vendor to the DSCP-KA Warehouse, it will be matched to a 5130 Form and the equipment will be bar coded (if necessary). DSCP-KA will then notify DSCP-OSCC and arrangements will be made to deliver/install the equipment for the requestor. Delivery information must be provided to the vendor when placing the Credit Card Order. If ADP equipment is purchased and picked up immediately by a Credit Card Holder, the equipment must be hand carried to the DSCP-KA Warehouse for bar coding.

Procedures for Purchasing ADP With the Card

Continued

IT SOFTWARE CREDIT CARD PURCHASE:

All Credit Card purchases for ADP Software must also first be approved by the Information Technology Division by means of the DSCP Form 5130. Once approved/signed, the 5130 Form will be held pending receipt of the software by the Technical Support Desk. The requestor will then be notified to arrange for delivery and/or installation of the software. ADP Software purchased by Credit Card does not need to be Bar Coded, but still needs to be managed. Delivery information must be provided to the vendor when placing the Credit Card order.

Procedures for Purchasing ADP With the Card Continued

Delivery Information (Hardware):

Defense Logistics Agency

Defense Supply Center
Philadelphia

ATTN: DSCP-KA

BLDG 5C Warehouse

700 Robbins Avenue

Philadelphia PA 19111-5092

Points of Contact:

DSCP-KA Warehouse - Weldon McCoy (x3746)

DSCP-KA Chief - Kathy Griffin (x2293)

DSCP-OSCC:

5130 Form Approval:

Barbara Concilio, Chief, IT Support (x8393)

Ken Tomasello, Technical Support Desk Lead (x7317)

Delivery Information (Software):

Defense Logistics Agency

Defense Supply Center Philadelphia

ATTN: DSCP-OSCC (Ken Tomasello)

BLDG 36-1 Station: 1003

700 Robbins Avenue

Philadelphia PA 19111-5092

Bank's Billing Reports

- Cardholder Monthly Statement of Account (SOA)
 - Request Customer Service Fax Resend if Not Received Within 10 Business Days of Cycle Date (5th of Month)
- Billing Official Billing Statement -
 - Request Customer Service Fax Resend if Not Received Within 10 Business Days of Cycle Date (5th of Month)
 - Certify Payment Under DoD Pay & Confirm Policy

Cardholder's Monthly Reconciliation

- Record on your statement of account (SOA) receipt date.
- Match each listed charge on the SOA with charge slips, shipping documents, etc, list SOA date on spending log beside charge.
- Enter a brief description of each purchase (or contract #, contractor, qty. & Unit of purchase if stock funded) on SOA
- Check for credits due, check if merchant has made good on problems with previous month's charges
- Note questionable items on SOA; Prepare I.M.P.A.C. Cardholder statement of questioned item (CSQI) form immediately for these charges & send form to bank; Send copy of CSQI with SOA for billing official review; Send copy of CSQI to APC
- Perform reconciliation/sign and date the cardholder SOA within 5 calendar days of receipt of SOA
 - As an accountable official, ensures purchases/amounts on SOA & supporting documents that are provided to approving/billing/certifying official as required, are: correct and required to fulfill mission requirements; Do not exceed spending limits; Are not for personal use or personal use of receiving individual; Are not for prohibited supplies/services; And have not been split to avoid spending limits
- Hand-carry reconciled/signed SOA, CSQI forms , & copies of active contract files, to billing official (BO may also review purchase records,

Billing Official's Monthly Reconciliation

- Ensure That Purchases Were Valid, in Accordance with Regulations, Within Limits & Purchase Documents Are Retained in Accordance with Regulations
- Sign C/H SOA Within 3 Working Days of Receipt
- Reconcile for Cardholder in Cardholder's Absence &, Per DoD Pay & Confirm Policy, Certify for Payment Even if Cardholder Reconciliation Not Complete
- Date Stamp Invoice Upon Receipt, & Certify Invoice for Correct and Proper Payment by Citing Amount to be Paid & MOD# (s) on Statement, and Sign at Certification Statement
- **Ensure Certified Monthly Statement is Hand-Carried in an Envelope to R Liaison for Routing to DFAS.**

Keeping Records - The Cardholders Responsibility

- Keep all necessary information on each purchase card transaction. You must have the following information:
 - **The item purchased (including a description, unit number and quantity)**
 - **The amount of the purchase**
 - **The name of the merchant**
 - **The date you received the item purchased**
- Just remember to keep your receipts!
- Annotate any receipts that are too general in the product description area so that it is very clear what you purchased. Your agency procedures will tell you how long you must keep your documentation on your purchases. Failure to retain records can result in excess administrative burden when you attempt to reconcile your monthly invoice statement. In some agencies, you are responsible for keeping all documentation on your purchases. In other agencies, you must forward your records for retention to

Renewing the Purchase Card

The purchase card is issued for a defined period of time and will expire.

You do not need to initiate any action to get your card renewed.

You will receive your new card before your old card expires.

If you do not receive your new card, contact your APC.

Destroy expired cards; they need not be returned.

Lost/Stolen Cards

- Report to the bank immediately at 1-888-994-6722
- Notify billing official, director, APC, & base security within 1 working day
 - Report name, account #, date customer service notified, any purchases made on day card was lost or stolen, and any other information requested
- APC determines if a replacement card should be issued & contacts the bank
- New card mailed in 7-10 days; If non-receipt of card, contact customer service, verify mailing date, report lost if necessary, new card/account # is assigned
- All parties monitor next statement and transactions
- All parties identify unauthorized charges
- Liability/responsibility determined

REFERENCES & WEBSITES

DLAI4105.3, DLA Government-wide Commercial Purchase Card Program
Defense Acquisition University's Continuous Learning Center Purchase Card Tutorial
(http://clc.dau.mil/kc/no_login/portal.asp)

DLA Purchase Card Home Page (<http://www.dla.mil/j-3/j-336/LogisticsPolicy/purchasecard.htm>)

DoD Purchase Card Management Home Page
(<http://purchasecard.saalt.army.mil/>)

DSCP Commercial Purchase Card Program
(<http://131.82.241.3/contract/pcard/pcard.htm>)

Affirmative Procurement Training for Federal Credit Card Holders
(<http://purchasecard.saalt.army.mil/Credit%20Card.ppt>)